This record is a partial extract of the original cable. The full text of the original cable is not available.

091825Z Mar 04

UNCLAS QUEBEC 000046

SIPDIS

DEPT FOR WHA/CAN TERRY BREESE

E.O. 12958: N/A TAGS: <u>PGOV PREL</u> <u>CA</u>

SUBJECT: ADQ'S MARIO DUMONT PREDICTS UPHILL BATTLE FOR JEAN CHAREST

- 11. (U) Summary: The Quebec Assembly resumed March 9 and Action Democratique's Mario Dumont foresees major struggles for the Liberal government. The stage is set for fiery labor negotiations with public sector employees and the upcoming provincial budget may not generate the big tax cuts promised earlier by Charest. After almost one year in power the Liberals have dipped drastically in the polls, with now only 30% of overall support. Young Dumont appears to have fully recovered from his unsatisfactory electoral performance last year and is ready to take on the Charest government. End Summary.
- 12. (U) March 8 -- the eve of the reopening of the Quebec legislature after a three-month break -- CG and PolAsst met with Action Democratique du Quebec (ADQ) leader Mario Dumont. Dumont has a unique insider's view of the National Assembly in his 10 years as an MNA, and has seen 3 governments come and go. He also has an outsider's perspective. The ADQ is not recognized as a political party in the Assembly. Despite winning over 18 percent of the vote in the last election, Dumont still only gained 4 seats, so that he has very little time accorded for questions on the floor.
- 13. (U) Dumont predicted an uphill battle for Premier Charest in the upcoming session. He faces stormy labor negotiations with 500,000 public sector employees, controversy over his electoral reform bill, a budget which will be difficult to balance, resistance to efforts to reengineer the Quebec Model, and skepticism over nebulous round-tables on health, education, family and regional development. In addition, referendums on municipal demergers loom as a source of contention in June.
- Reviewing Charest's last few months in office, Dumont concluded that his mantra of "I have a mandate" is not shared by most Quebecers, who are unsure of the mandate, and confused as to whether Charest is really a Liberal. Dumont cited the mishandling of the Mohawk crisis in Kanesatake and the announcement of the construction of the Suroit natural gas project, now postponed, as critical mistakes. In Quebec, hydroelectricity has a state of the suroit natural gas hydroelectricity has an almost mythic value among Quebecers. The PLQ government's decision to go ahead with the gas project despite massive public protest is a monumental political error, said Dumont, since polls showed an estimated 90% of Quebecers were against it. The Suroit debacle has had an extremely negative impact on the PLQ government's credibility: a large number of party members were unwilling to back the government at the Liberal general council meeting held a few weeks ago, he added. Dumont was equally critical of the performance of Natural Resources Minister Sam Hamad, whom he accused of amateurism and inexperience. Regarding Kanesatake, Dumont thought there was a negative public perception that Chief Gabriel had been abandoned by the provincial government.
- 15. (SBU) On relations with the unions, Dumont predicted widespread confrontation with public sector employees. The provincial Liberals were elected with labor union support but less than a year after taking office, the government is confronting these same elements. The barely 30% voter satisfaction levels show Liberal campaign promises and the math do not add up. In Dumont's view, Charest has a 3- week window of opportunity to make some points with Quebec voters before federal elections are announced for May or June. Public attention cannot be split between provincial politics and the electoral campaign, he concluded. The sponsorship scandals would continue to be a distraction. Charest's hands are tied because he cannot defend Ottawa. It is "revolting" for Quebecers, said Dumont, to be enmeshed in a scandal over misuse of federal funds for a program they did not want, but sensed was ongoing. "No-one in Quebec ever thought a few Canadian flags scattered across the province could ever change deeply rooted political views among voters. But everyone knew before the Auditor General's report that there was something wrong: the report only revealed the scope of it."
- 16. (SBU) Comment: Despite his relative youth (34) Dumont is a political veteran and a savvy analyst, particularly of budget and economic issues. He seems to have regained his enthusiasm for politics, after the ADQ's disappointing showing in the April 2003 elections. His own party has scaled back its vision considerably. Dumont said in the upcoming session, the ADQ would focus on legislation to protect essential services such as

day care and public transportation, especially for the elderly who are dependent on this service to obtain medical care (32 percent of the population of Montreal depend on public transportation, he estimated). Despite his limited representation in the Assembly, he remains a force to be reckoned with.

KEOGH